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| 09/773,539      | 02/02/2001  | Robin C. Ruth        | 52493.000121        | 6307             |

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| EXAMINER |
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BORLINGHAUS, JASON M

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| ART UNIT | PAPER NUMBER |
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3628

DATE MAILED: 01/06/2005

Please find below and/or attached an Office communication concerning this application or proceeding.

**Office Action Summary**

Application No.

09/773,539

Applicant(s)

RUTH ET AL.

Examiner

Jason M. Borlinghaus

Art Unit

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-- The MAILING DATE of this communication appears on the cover sheet with the correspondence address --  
**Period for Reply**

A SHORTENED STATUTORY PERIOD FOR REPLY IS SET TO EXPIRE 3 MONTH(S) FROM THE MAILING DATE OF THIS COMMUNICATION.

- Extensions of time may be available under the provisions of 37 CFR 1.136(a). In no event, however, may a reply be timely filed after SIX (6) MONTHS from the mailing date of this communication.
- If the period for reply specified above is less than thirty (30) days, a reply within the statutory minimum of thirty (30) days will be considered timely.
- If NO period for reply is specified above, the maximum statutory period will apply and will expire SIX (6) MONTHS from the mailing date of this communication.
- Failure to reply within the set or extended period for reply will, by statute, cause the application to become ABANDONED (35 U.S.C. § 133). Any reply received by the Office later than three months after the mailing date of this communication, even if timely filed, may reduce any earned patent term adjustment. See 37 CFR 1.704(b).

**Status**

- 1) ☒ Responsive to communication(s) filed on 5/27/04.
- 2a) ☐ This action is **FINAL**. 2b) ☒ This action is non-final.
- 3) ☐ Since this application is in condition for allowance except for formal matters, prosecution as to the merits is closed in accordance with the practice under *Ex parte Quayle*, 1935 C.D. 11, 453 O.G. 213.

**Disposition of Claims**

- 4) ☒ Claim(s) 1-21 is/are pending in the application.
- 4a) Of the above claim(s) \_\_\_\_\_ is/are withdrawn from consideration.
- 5) ☐ Claim(s) \_\_\_\_\_ is/are allowed.
- 6) ☒ Claim(s) 1-21 is/are rejected.
- 7) ☐ Claim(s) \_\_\_\_\_ is/are objected to.
- 8) ☐ Claim(s) \_\_\_\_\_ are subject to restriction and/or election requirement.

**Application Papers**

- 9) ☐ The specification is objected to by the Examiner.
- 10) ☒ The drawing(s) filed on 21 February 2001 is/are: a) ☒ accepted or b) ☐ objected to by the Examiner.  
Applicant may not request that any objection to the drawing(s) be held in abeyance. See 37 CFR 1.85(a).  
Replacement drawing sheet(s) including the correction is required if the drawing(s) is objected to. See 37 CFR 1.121(d).
- 11) ☐ The oath or declaration is objected to by the Examiner. Note the attached Office Action or form PTO-152.

**Priority under 35 U.S.C. § 119**

- 12) ☐ Acknowledgment is made of a claim for foreign priority under 35 U.S.C. § 119(a)-(d) or (f).
- a) ☐ All b) ☐ Some \* c) ☐ None of:
1. ☐ Certified copies of the priority documents have been received.
  2. ☐ Certified copies of the priority documents have been received in Application No. \_\_\_\_\_.
  3. ☐ Copies of the certified copies of the priority documents have been received in this National Stage application from the International Bureau (PCT Rule 17.2(a)).
- \* See the attached detailed Office action for a list of the certified copies not received.

**Attachment(s)**

- |  |   |
|--|---|
| 1) <input checked="" type="checkbox"/> Notice of References Cited (PTO-892)  | 4) <input type="checkbox"/> Interview Summary (PTO-413)<br>Paper No(s)/Mail Date. _____ |
| 2) <input type="checkbox"/> Notice of Draftsperson's Patent Drawing Review (PTO-948)   | 5) <input type="checkbox"/> Notice of Informal Patent Application (PTO-152)             |
| 3) <input checked="" type="checkbox"/> Information Disclosure Statement(s) (PTO-1449 or PTO/SB/08)<br>Paper No(s)/Mail Date <u>2/2/01 &amp; 2/7/02</u> . | 6) <input type="checkbox"/> Other: _____  |

## **DETAILED ACTION**

### ***Claim Rejections - 35 USC § 101***

35 U.S.C. 101 reads as follows:

Whoever invents or discovers any new and useful process, machine, manufacture, or composition of matter, or any new and useful improvement thereof, may obtain a patent therefor, subject to the conditions and requirements of this title.

Claim 12 – 16 and 18 are rejected under 35 U.S.C. 101 because the claimed invention is directed to non-statutory subject matter.

The basis of this rejection is set forth in a two-prong test of:

- (1) whether the invention is within the technological arts; and
- (2) whether the invention produces a useful, concrete, and tangible result.

For a claimed invention to be statutory, the claimed invention must be within the technological arts. Mere ideas in the abstract that do not apply, involve, use, or advance the technological arts fail to promote the “progress of science and the useful arts” and therefore are found to be non-statutory subject matter. For a process claim to pass muster, the recited process must somehow apply, involve, use, or advance the technological arts.

In the present case, Claims 12 – 16 and 18 only recite an abstract idea. Claims 12 – 16 and 18 do not apply, involve, use, or advance the technological arts since all of the recited steps can be performed in the mind of the user or by use a pencil and paper.

Although the recited process produces a useful, concrete, and tangible result, since the claimed invention, as a whole, is not within the technological arts as explained above, Claims 12 – 16 and 18 are deemed to be directed to non-statutory subject matter.

***Claim Rejections - 35 USC § 103***

The following is a quotation of 35 U.S.C. 103(a) which forms the basis for all obviousness rejections set forth in this Office action:

(a) A patent may not be obtained though the invention is not identically disclosed or described as set forth in section 102 of this title, if the differences between the subject matter sought to be patented and the prior art are such that the subject matter as a whole would have been obvious at the time the invention was made to a person having ordinary skill in the art to which said subject matter pertains. Patentability shall not be negated by the manner in which the invention was made.

The factual inquiries set forth in *Graham v. John Deere Co.*, 383 U.S. 1, 148 USPQ 459 (1966), that are applied for establishing a background for determining obviousness under 35 U.S.C. 103(a) are summarized as follows:

1. Determining the scope and contents of the prior art.
2. Ascertaining the differences between the prior art and the claims at issue.
3. Resolving the level of ordinary skill in the pertinent art.
4. Considering objective evidence present in the application indicating obviousness or nonobviousness.

Claims 1, 3 – 4, 6, 8 – 12 and 14 – 16 are rejected under 35 U.S.C. 103(a) as being unpatentable over Landry (U.S. Patent 5,956,700) in view of Kelliher (U.S. Patent 5,857,194).

Regarding Claim 1, Landry discloses a system for administering a financial program involving the collection of payments, comprising:

- a debit system for coordinating the administration of the financial program (“The generated bill records are used by the TCF message generator to generate the EFT messages for transferring funds electronically between payors and payees.” – see abstract) including:

- interface logic for allowing a user to interact with the debit system (“The system includes a payor control interface... The bill generator may also generate bill records from the payor and payee information and from bill data messages received from payees.” – see abstract);
- batch processing logic for performing batch processing associated with the financial program (“For example, while the payment processing and maintenance portions of the method have been described as batch-mode oriented, it may become desirable and/or feasible in some applications to implement these steps in real time.” – see col. 37, lines 12 – 17);
- at least one support system coupled to the debit system for handling an aspect of the administration of the financial program (“The central computer of Fig. 3 also executes exemplary software modules to, for example, perform (a) database management functions, (b) file handling batch operations, (c) settlement processing, and/or (d) reporting functions.” – see col. 25, lines 61 – 64), and for communicating with the debit system (“The system includes a payor control interface, communications interface...” – see abstract); and
- a data storage for storing data tables used by the debit system in the administration of the financial program (“The bill generator generates bill records from payor and payee information stored within the system for recurring bills.” – see abstract), the data storage also including a representation of information as maintained by another system (“Additional peripheral equipment (e.g. tape drives, printer, conventional mass storage

device, and conventional interface/multiplexer) to facilitate communicates and/or bill paying transactions may also be appropriate in many applications, and some examples of such equipment are provided herein or are apparent to those skilled in the art.” – see col. 26, lines 5 – 10 – establishing that additional data storage may be connected to the system).

Landry does not teach that the data storage also includes a representation of information as maintained by a retired system previously used for administering the financial program.

Kelliher discloses the retrieval of information (data) as maintained by a retired (legacy) system previously used for administering the financial program. (“The present invention analyses an existing legacy system, such as a Physician’s Office Management System, and automatically extracts, reformats, and sends required data to a service company, which may be for example, an insurance company.” – see abstract).

It would have been obvious to one of ordinary skill in the art at the time the invention was made to have modified Landry by incorporating the ability to retrieve information from a retired system, as was done by Kelliher, to allow for easy integration of a new debit system to an existing insurance and billing information source.

Regarding Claim 3, Landry discloses that the batch processing logic (“For example, while the payment processing and maintenance portions of the method have been described as batch-mode oriented, it may become desirable and/or feasible in some applications to implement these steps in real time.” – see col. 37, lines 12 – 17) includes logic for receiving notification of payments from a funds collector (“Each of the

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transmitted debit messages that correspond to a particular Payee are accumulated and are used to generate a settlement message.” – see col. 12, lines 15 – 17).

Regarding Claim 4, Landry discloses that the batch processing logic includes logic for interacting with the at least one support system. (“The central computer of Fig. 3 also executes exemplary software modules to, for example, perform (a) database management functions, (b) file handling batch operations, (c) settlement processing, and/or (d) reporting functions.” – see col. 25, lines 61 – 64).

Regarding Claim 6, Landry discloses a system wherein the financial program involves the performance of plural processing routines (multiple processors) to handle different aspects of the financial program, and the system includes functionality that facilitates interaction (interprocessor interbus) between these different processing routines. (“In a preferred arrangement, central computer is a mainframe computer of conventional design including, for example, symmetrical multiple processors with an interprocessor interbus.” – see col. 25, line 65 – col. 26, line 66).

Regarding Claim 8, Landry discloses a system wherein the financial program (“System and Method for Paying Bills and Other Obligations Including Selective Payor and Payee Controls” – see title) is an insurance program. (“As seen in the above example, the payor’s insurance premium is automatically paid each period and the payor takes negative action, or no action, to pay such bill.” – see col. 5, lines 32 – 35 – establishing that financial program is an insurance program).

Regarding Claim 9, Landry discloses a system wherein the insurance program includes payment due dates occurring weekly or monthly (periodic). (“The payee

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information and bill data preferably includes provisional periods, bill amounts and due dates. The payor information for each payor preferably includes payor determined preferences for payment timing, maximum payment amount, and minimum interval for billing and/or payment for each particular payee.” – see col. 7, lines 1 – 8). (“In its simplest form, bill generator may use the Payee Information in the Payor Database to generate bill records at predetermined times. These times for bill record generation may be defined as periodic, i.e. daily or the like, or as having a relationship to Payor or Payee Information, such as a number of days prior to a due date.” – see col. 11, line 64 – col. 12, lines 4).

Regarding Claim 10, Landry discloses a system wherein the system is implemented as a server in the context of a client server architecture (see figure 3, LAN-attached CSR terminals).

Regarding Claim 11, Landry does not teach a system wherein the data storage is implemented as a relational database.

Kelliher discloses a system wherein the data storage is implemented as a relational database. (“In legacy systems using relational database designs, a query in Structured Query Language (SQL) is first attempted to try determine the schema, defining the field names, the field types, the order of the fields.” – see col. 4, lines 8 – 11).

It would have been obvious to one of ordinary skill in the art at the time the invention was made to have modified Landry by implementing the data storage as a



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relational database, as was done by Kelliher, to allow for easy and quick of retrieval of insurance and billing information from the database.

Regarding Claim 12, Landry discloses a method for administering a financial program involving the collection of payments, including:

- providing a debit service for coordinating the administration of the financial program. ("The generated bill records are used by the TCF message generator to generate the EFT messages for transferring funds electronically between payors and payees." – see abstract), the debit service being coupled to a data storage ("The bill generator generates bill records from payor and payee information stored within the system for recurring bills." – see abstract), the data storage also including a representation of information as maintained by another system ("Additional peripheral equipment (e.g. tape drives, printer, conventional mass storage device, and conventional interface/multiplexer) to facilitate communicates and/or bill paying transactions may also be appropriate in many applications, and some examples of such equipment are provided herein or are apparent to those skilled in the art." – see col. 26, lines 5 – 10 – establishing that additional data storage may be connected to the system);
- providing an interface for interacting with the debit service. ("The system includes a payor control interface... The bill generator may also generate bill records from the payor and payee information and from bill data messages received from payees." – see abstract);

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- receiving a request, via the interface, from a user for information regarding a financial policy. (Landry discloses "Database management may be provided for retrieval of files for various on-line and off-line manipulation herein, by any of a number of available products in the industry, or custom written for the particular application." - see col. 26, lines 1 – 4 – establishing that information can be requested from the system which would necessitate the presence of a user interface);
- determining whether the policy may be obtained from the converted records stored in the data storage. (However, Landry discloses his system "...locate the payor record..." - see fig. 19K – establishing that Landry searches data storage for records); and
- retrieving the policy from the converted records if the policy may be obtained 15 therefrom. (However, Landry discloses his system "...locate the payor record and access the data within..." – see fig. 19K – establishing that Landry retrieves record if available.)

Landry does not teach a method for administering a financial program involving the collection of payments, including:

- the data storage including converted records as well as a representation of information as maintained by a retired system previously used for administering the financial program; and

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- retrieving the policy from the representation of information as maintained by the retired system if the policy cannot be obtained from the converted records.

Kelliher discloses a method for administering a financial program involving the collection of payments, including:

- the data storage including converted (reformatted) records (data) as well as a representation of information as maintained by a retired (legacy) system previously used for administering the financial program. ("The present invention analyses an existing legacy system, such as a Physician's Office Management System, and automatically extracts, reformats, and sends required data to a service company, which may be for example, an insurance company." – see abstract); and
- retrieving the policy from the representation of information as maintained by the retired system if the policy cannot be obtained from the converted records. ("The present invention analyses an existing legacy system, such as a Physician's Office Management System, and automatically extracts, reformats, and sends required data to a service company, which may be for example, an insurance company." – see abstract)

It would have been obvious to one of ordinary skill in the art at the time the invention was made to have modified Landry by incorporating the ability to retrieve information from a retired system, as was done by Kelliher, to allow for easy integration of a new debit system to an existing insurance and billing information source.

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Regarding Claim 14, Landry does not teach a method wherein the policy obtained from the representation of information as maintained by the retired system pertains to a policy that was not transferred to the debit service upon introduction of the debit service.

Kelliher discloses a method wherein the policy obtained from the representation of information as maintained by the retired system pertains to a policy that was not transferred to the debit service upon introduction of the debit service. ("The present invention analyses an existing legacy system, such as a Physician's Office Management System, and automatically extracts, reformats, and sends required data to a service company, which may be for example, an insurance company." – see abstract).

It would have been obvious to one of ordinary skill in the art at the time the invention was made to have modified Landry by incorporating the ability to retrieve information from a retired system, as was done by Kelliher, to allow for easy integration of a new debit system to an existing insurance and billing information source.

Regarding Claim 15, Claim 15 recites similar limitations to Claim 8 and is therefore rejected using the same art and rationale as applied in the rejection of Claim 8.

Regarding Claim 16, Claim 16 recites similar limitations to Claim 9 and is therefore rejected using the same art and rationale as applied in the rejection of Claim 9.

Claims 2, 5, 7, 13 and 17 - 21 are rejected under 35 U.S.C. 103(a) as being unpatentable over Landry in view of Kelliher, and further in view of Ryan (U.S. Patent 5,655,085).

Regarding Claim 2, Landry discloses a system wherein the interface logic includes at least one of:

- interface logic for performing policy maintenance. ("The central computer of Fig. 3 also executes exemplary software modules to, for example, perform (a) database management functions, (b) file handling batch operations, (c) settlement processing, and/or (d) reporting functions." – see col. 25, lines 61 – 64);
- interface logic for administering billing and premium payment ("In its simplest form, bill generator may use the Payee Information within the Payee Database as a recurring datafile to search the Payor Information in the Payor Database to generate bill records at predetermined times... Using the generated bill records, the TCF message generator generates, at predetermined times, Electronic Funds Transfer (EFT) messages that debit Payor Bank Accounts through some type of TCF transfer system." – see col. 11, line 64 - col. 12, line 13); and
- interface logic for performing system-related maintenance ("The central computer of Fig. 3 also executes exemplary software modules to, for example, perform (a) database management functions, (b) file handling batch

operations, (c) settlement processing, and/or (d) reporting functions.” – see col. 25, lines 61 – 64).

Laundry does not teach:

- interface logic for performing waiver processing
- interface logic for performing loan processing
- interface logic for performing cash surrender value processing
- interface logic for performing extended value processing

Kelliher discloses a system wherein the interface logic includes:

- interface logic for accessing the representation of information as maintained by the retired system. (“The present invention analyses an existing legacy system, such as a Physician’s Office Management System, and automatically extracts, reformats, and sends required data to a service company, which may be for example, an insurance company.” – see abstract).

Ryan discloses a system wherein the interface logic includes:

- interface logic for performing waiver processing. (“In Block 94, Solicit Additional Coverages, the system solicits any additional coverages desired by the client...Screen 7, for example, shows several riders potentially made available by the system. A waiver of annual premium benefit provides the premiums will be automatically waived in the event of policyholder disability.” – see col. 18, lines 5 – 12);
- interface logic for performing loan processing. (“The invention includes automated aspects of the use of premiums paid on life insurance as a

substitute for the initial down payment on a mortgage, the use of life insurance policy death benefits to retire the mortgage upon the death of the borrower, the use of accumulated cash values to retire the outstanding principal on a mortgage in the event of the borrower's survival, and the services of storage and transmission for all of the foregoing." – see col. 1, lines 24 – 31);

- interface logic for performing cash value surrender processing. ("The cash value term, CV(12t), is the illustrated cash value at the end of policy year t. The Surrender Cost Index is typically computed for years 10 and 20 of the policy." – see col. 47, lines 31 – 34); and
- interface logic for performing extended value processing. ("The cash value term, CV(12t), is the illustrated cash value at the end of policy year t. The Surrender Cost Index is typically computed for years 10 and 20 of the policy." – col. 47, lines 31 – 34).

It would have been obvious to one of ordinary skill in the art at the time the invention was made to have modified Landry by incorporating the ability to retrieve information from a retired system, as was done by Kelliher, to allow for easy integration of a new debit system to an existing insurance and billing information source, and by incorporating the ability to handle other traditional insurance functions, as was done by Ryan, to further integrate multiple insurance functions into one insurance system.

Regarding Claim 5, neither Landry nor Kelliher teach a system wherein the at least one support system comprises one of:

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- a death claims system for handling insurance claims pertaining to deaths;
- a matured endowment system for handling matured endowment-related matters; and
- a waiver of premium system for handling waiver of premium processing.

Ryan discloses a system wherein the at least one support system comprises one of:

- a death claims system for handling insurance claims pertaining to deaths ("In Block 146, Compute Specified Amount, the system uses the guideline values previously computed to calculate a Specified Amount. The Specified Amount is the amount that the insurance company will pay the beneficiary upon the death of the insured." – see col. 20, lines 21 – 26);
- a matured endowment system for handling matured endowment-related (face amount payable to the insured) matters ("In Block 146, Compute Specified Amount, the system uses the guideline values previously computed to calculate a Specified Amount. The Specified Amount is the amount that the insurance company will pay the beneficiary upon the death of the insured. In most states the Specified Amount must by law appear on page three of a life insurance policy. The Specified Amount is a common life insurance variable and is equal to the basic, stated policy death benefit (the face amount of the policy.)" – see col. 20, lines 21 – 29); and
- a waiver of premium system for handling waiver of premium processing. ("In Block 94, Solicit Additional Coverages, the system solicits any additional



coverages desired by the client...Screen 7, for example, shows several riders potentially made available by the system. A waiver of annual premium benefit provides the premiums will be automatically waived in the event of policyholder disability.” – see col. 18, lines 5 – 12).

It would have been obvious to one of ordinary skill in the art at the time the invention was made to have modified Landry by incorporating the ability to handle other traditional insurance functions, as was done by Ryan, to further integrate multiple insurance functions into one insurance system.Regarding

Claim 7, Laundry does not teach a system wherein the interface logic for accessing the representation of information as maintained by the retired system includes logic for retrieving policy information therefrom.

Kelliher discloses a system wherein the interface logic for accessing the representation of information (data) as maintained by the retired (legacy) system includes logic for retrieving policy information therefrom. (“The present invention analyses an existing legacy system, such as a Physician’s Office Management System, and automatically extracts, reformats, and sends required data to a service company, which may be for example, an insurance company.” – see abstract).

It would have been obvious to one of ordinary skill in the art at the time the invention was made to have modified Landry by incorporating the ability to retrieve information from a retired system, as was done by Kelliher, to allow for easy integration of a new debit system to an existing insurance and billing information source.

Regarding Claim 13, Claim 13 recites similar limitations to Claim 2 and is therefore rejected using the same art and rationale as applied in the rejection of Claim 2.

Regarding Claim 17, Claim 17 recites similar limitations to Claim 1 and 2 and is therefore rejected using the same art and rationale as applied in the rejection of Claim 1 and 2.

Regarding Claim 18, Claim 18 recites similar limitations to Claim 1 and 2 and is therefore rejected using the same art and rationale as applied in the rejection of Claim 1 and 2.

Regarding Claim 19, Claim 19 recites similar limitations to Claim 1 and 2 and is therefore rejected using the same art and rationale as applied in the rejection of Claim 1 and 2.

Regarding Claim 20, Landry discloses a medium wherein the financial program ("System and Method for Paying Bills and Other Obligations Including Selective Payor and Payee Controls" – see title) is an insurance program. ("As seen in the above example, the payor's insurance premium is automatically paid each period and the payor takes negative action, or no action, to pay such bill." – see col. 5, lines 32 – 35 – establishing that financial program is an insurance program).

Regarding Claim 21, Landry discloses a medium wherein the insurance program includes payment due dates occurring weekly or monthly (periodic). ("The payee information and bill data preferably includes provisional periods, bill amounts and due dates. The payor information for each payor preferably includes payor determined

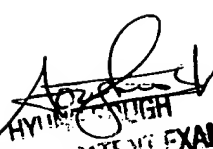
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preferences for payment timing, maximum payment amount, and minimum interval for billing and/or payment for each particular payee." – see col. 7, lines 1 – 8). ("In its simplest form, bill generator may use the Payee Information in the Payor Database to generate bill records at predetermined times. These times for bill record generation may be defined as periodic, i.e. daily or the like, or as having a relationship to Payor or Payee Information, such as a number of days prior to a due date." – see col. 11, line 64 – col. 12, lines 4).

Any inquiry concerning this communication or earlier communications from the examiner should be directed to Jason M. Borlinghaus whose telephone number is (703) 308-9552. The examiner can normally be reached on 8:30am-5:00pm M-F.

If attempts to reach the examiner by telephone are unsuccessful, the examiner's supervisor, Hyung Sough can be reached on (703) 308-0505. The fax phone number for the organization where this application or proceeding is assigned is 703-872-9306.

Information regarding the status of an application may be obtained from the Patent Application Information Retrieval (PAIR) system. Status information for published applications may be obtained from either Private PAIR or Public PAIR. Status information for unpublished applications is available through Private PAIR only. For more information about the PAIR system, see <http://pair-direct.uspto.gov>. Should you have questions on access to the Private PAIR system, contact the Electronic Business Center (EBC) at 866-217-9197 (toll-free).

  
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